

Title: Overtime Compensation

Date Issued: July 1, 2008
Date Last Revised: January 19, 2011
Revision Number: 2
Total Pages: 4

Purpose:

To establish the specific requirements for the compensation of hours worked in excess of the maximum hours allowed in a work period, for the various non-exempt job classifications utilized by the department.

Scope:

This guideline applies to all non-exempt full-time employees (uniformed and non-uniformed) and part-time employees. This includes regular schedule employees who work 40 hours per week; and shift full-time, flex schedule and part-time employees who work a modified schedule based on a 53 hour work week, as allowed under the Fair Labor Standards Act (FLSA), Section 7 (k) provision.

General:

This guideline was designed to ensure the fair and equitable compensation of hours worked in excess of the maximum hours allowed in a work period, for the various non-exempt job classifications within the department; in accordance with Fair Labor Standards Act (FLSA), Virginia Code, and the policies and procedures of City of Martinsville as they relate to employee compensation and benefits. In the event of conflict between this guideline and the policies and procedures of the City of Martinsville, the policies and procedures of the City of Martinsville shall override this guideline.

I. Fair Labor Standards Act:

- A. The City of Martinsville's, and the department's, overtime policies comply with those established under the FLSA. The FLSA does not limit the number of hours that an employee may work. It simply requires that overtime pay must be paid at a rate of not less than one and one-half times a non-exempt employee's regular rate of pay for each hour worked in excess of the maximum hours allowed in a work period.
- B. Under the FLSA, each job classification is given the status of either "non-exempt" or "exempt", as defined in this below, and is used to determine overtime compensation.

Martinsville Fire & EMS

SAG 130.02 – Overtime Compensation

To be considered exempt from overtime, an employee's duties must fit into a specific category as determined by the FLSA. Prior to their appointment, a new employee will be informed of their overtime status under the FLSA. Employees whose primary duty is fire protection and provide services on a seven (7) day, 24-hour-per-day basis may work a special work period of up to 28 days, as permitted by Section 7 (k) of the FLSA.

- C. In order to meet the operational needs of the department, an employee may be required to work beyond the daily or weekly work schedule, or to return to work after leaving the work site for the day. The Fire Chief will arrange and control the work schedule within the department so that, to the extent possible, required work will be accomplished with as little overtime as possible. No overtime is to be worked, except as authorized by the Fire Chief, or his designee.
 - 1. **Non-exempt Employees** – Employees who are required to be paid overtime at the rate of time and one half times their regular rate of pay or granted compensatory time off for all hours worked beyond their maximum hours allowed in a work period, in accordance with applicable federal wage and hour laws.
 - 2. **Exempt Employees** – Employees who are not required to be paid overtime, in accordance with applicable federal wage and hours laws, for work performed beyond forty hours in a work week. Executives, professional employees, outside sales representatives, and certain employees in administrative positions are typically exempt. Exempt employees who work in excess of their normal workweek do not accumulate overtime or compensatory time.

II. Hours of Work & Work Periods:

- A. The hours of work and work periods (or cycles) for the various job classifications utilized by the department are outlined in SAG 130.01.
- B. When properly authorized by the Fire Chief, all hours that a non-exempt employee is permitted to work are subject to compensation. The overtime compensation will begin for all hours worked in excess of the maximum hours allowed in a work period, except where applicable under 7(k) of the FLSA or as required by Virginia Code. If an employee is expected to work overtime, the supervisor will give the employee as much advance notice as possible.
- C. Regular schedule non-exempt employees earn overtime compensation for all hours worked in excess of 40 hours during a 7 day work cycle.
- D. Shift schedule non-exempt employees earn overtime compensation for all hours worked in excess of 204 hours during a 27 day work cycle.

Martinsville Fire & EMS

SAG 130.02 – Overtime Compensation

- E. Flex schedule non-exempt employees earn overtime compensation for all hours worked in excess of 53 hours during a 7 day work cycle.
- F. Part-time schedule non-exempt employees typically work 48 hours or less during a 7 day work cycle. However, part-time schedule non-exempt employees earn overtime compensation for all hours worked in excess of 53 hours during a 7 day work cycle.

III. Record of Hours Worked:

- A. Non-exempt employees must accurately record and report all hours worked and time not worked on an official time sheet. The appropriate supervisor will verify and approve the hours worked and forward information to the Deputy Chief for review. Both exempt and non-exempt employees must account for hours not worked through the use of pay reduction, sick leave, vacation leave, or other approved leave.
- B. The Fire Chief, or his designee, shall maintain official time records for all department employees using a system designed to meet the recording and reporting requirements of the City of Martinsville.

IV. Types of Overtime Compensation:

- A. The FLSA requires that overtime pay must be paid at a rate of not less than one and one-half times a non-exempt employee's regular rate of pay for each hour worked in excess of the maximum hours allowed in a work period.
- B. The Fire Chief shall have the authority to determine if the overtime earned will be a monetary compensation or compensatory time off for the hours worked in excess of the maximum hours allowed in a work period.
 - 1. In general, the employee may request either monetary compensation or compensatory time off for the hours worked in excess of the maximum hours allowed in a work period. However, the final decision on the type of compensation rests with the Fire Chief.
 - 2. Shift schedule employees who work nine 24 hour shifts during a 27 day work cycle will automatically earn 12 hours of overtime during the cycle. These initial 12 hours of overtime will be compensated with monetary compensation.
- C. Overtime compensation, regardless of the type of compensation, will be administered in accordance with FLSA, Virginia Code, and the policies and procedures of City of Martinsville as they relate to employee compensation and benefits.

Martinsville Fire & EMS

SAG 130.02 – Overtime Compensation

V. Reporting of Hours Worked for Purposes of Payment of Overtime:

- A. Each month the Fire Chief will submit a report of overtime and regular hours worked for each employee to the Finance Department, on appropriate forms, in accordance with City reporting policies and procedures.
 - 1. Only the overtime hours worked within completed work periods will be submitted for payment on this report.
 - 2. Overtime worked after the payroll cutoff period will be held until the work period is complete, and reported for payment the following month.